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Testimony of Sharon Palmer, President
AFT Connecticut

HB 6308 An Act Establishing the Connecticut Healthcare Partnership

Insurance & Real Estate, Human Services and Public Health Committees
Joint Hearing - February 14, 2011

Good morning. My name is Sharon Palmer and I am the President of AFT Connecticut, a diverse labor union representing 28,000 members in the private and public sectors. Our members are teachers and other school personnel, municipal employees, healthcare workers and state employees. It is on their behalf that I urge you to support HB 6308, legislation that would create the Connecticut Healthcare Partnership which would allow municipalities, small businesses and nonprofit organizations to join the state employee health insurance pool.

State employees are fortunate to have good quality health insurance at an affordable price. Because the state employee pool is so large, allowing the risk to be shared so effectively, premiums have remained constant in the last several years.

Unfortunately, because municipalities must purchase insurance on their own, they cannot enjoy the savings derived from shared risk within a large pool. Many have seen annual double digit rate increases. HB 6308 bill would provide necessary relief to our municipalities by providing them with an opportunity to save money without jeopardizing quality. As many as 24 other states allow local government employees to participate in their state employee plan. It's time to do this in Connecticut.

Small businesses have suffered greatly in this economic downturn. They have had to deal with dwindling income and surging costs to provide health insurance for their employees. Many have been forced to dilute coverage, impose larger premiums and co-payments on their employees or abandon health insurance coverage altogether. By giving them access to the bargaining power of the state employee pool, they will be able to cut costs dramatically. Making quality health care affordable and accessible is good for Connecticut's economy and is good for taxpayers.

As a union, AFT Connecticut is a nonprofit organization. We, like other nonprofit organizations, have been facing years of skyrocketing healthcare prices. With fewer than 30 employees, we are at the mercy of the insurance industry when we purchase healthcare benefits for our staff. Our annual rate increases have been over twenty percent. That is just not sustainable. HB 6308 would allow us and other nonprofits to continue offering the best possible benefits to our employees.

We stand at an important crossroads in Connecticut. It's time to make smart decisions that will improve healthcare access and save our state and our taxpayers money. I urge you to support HB 6308. Thank you.